

BOARD OF ECONOMIC DEVELOPMENT
GOED CONFERENCE ROOM, 711 E WELLS AVE, PIERRE, SD
TUESDAY, AUGUST 14, 2012 – 1:30 PM CT

Members Present

Chairman Jeff Erickson, Tony Klein, Dale Clement, Sharon Casey, John Calvin, Tom Burchill, Mike Luken, Mark Mickelson, Greg Heinemann, Tim Kessler, Ted Hustead, Don Kettering, Pat Prostrullo

Staff Present

Deputy Commissioner Nathan Lukkes, Kim Easland, Ashley Moore, Travis Dovre, Cody Richter, Dale Knapp

Other Staff Present

Mandy Kuipers- BankWest, Loan Servicing Agent

Call to Order

Chairman Erickson called the meeting to order at 1:37 pm.

Agenda

A motion was made by Pat Prostrullo and seconded by Tom Burchill to approve the agenda as presented.

Motion prevailed by a unanimous roll call vote.

Minutes

A motion was made by Don Kettering and seconded by Tony Klein to approve the minutes of July 10, 2012 as presented.

Motion prevailed by unanimous roll call vote.

Executive Session

A motion was made by Tim Kessler seconded by Pat Prostrullo to enter into executive session at 1:40 pm. to discuss contract matters and commercial and financial information relating to loan and other assistance to applicants.

Motion prevailed by unanimous roll call vote.

Executive Session Report

The Chairman declared the board out of executive session at 2:53 p.m. The Chairman reported that the Board of Economic Development entered into Executive Session to discuss commercial and financial information relating to loan and other assistance to applicants.

A motion was made by Tom Burchill and seconded by Mike Luken approve the chairman's report from executive session.

Motion prevailed by unanimous roll call vote.

Loan Reviews

Adams Holding, LLC, Aberdeen Development Corporation and Cattail Company, LLC

A motion was made by Tony Klein and seconded by Mark Mickelson to approve the loan reviews and recommendations as presented.

Motion prevailed by unanimous roll call vote

Old Business

Geofurnace Manufacturing, Inc.

A motion was made by Tim Kessler and seconded by Tom Burchill to approve staff recommendation as presented.

Motion prevailed by unanimous roll call vote

Lakota Archery, LLC

A motion was made by Mark Mickelson and seconded by Tim Kessler to approve accepting the settlement offer contingent upon REDI being paid in full.

Motion prevailed by unanimous roll call vote

L.S.I. Inc.

A motion was made by Tom Burchill and seconded by Sharon Casey to approve withdrawing the funding commitment.

Motion prevailed by unanimous roll call vote

Rural Learning Center

A motion was made by Sharon Casey and seconded by Dale Clement to approve borrower to retain \$15,000 from insurance proceeds.

Motion prevailed by unanimous roll call vote

New Business

Watertown Development Corporation/ Dakota Bodies

A motion was made by Dale Clement and seconded by Ted Hustead to approve the loan request in the amount of \$359,450. Secured by a shared first position on the facility, additional land, and guaranty from all principals of Dakota Bodies for the total of the five year lease payments. Take out financing subject to an acceptable appraisal showing 75% LTV. Also, extend the maturity date of the loan #04-10-A to match the maturity of the new loan

The loan is approved according to the terms and conditions of the commitment letter and that all documents may be executed on behalf of the Board of the Commissioner of the Governor's Office of Economic Development of the Commissioner's designee.

Motion prevailed by unanimous roll call vote

Bills

A motion was made by Mike Luken and seconded by Tim Kessler to approve the bills payable to BankWest in the amount of \$12,379.22 for the July Servicing, May, Adam, Gerdes & Thompson, LLC in the amount of \$1,222.00 for Legal Work and Moody's Analytics in the amount of \$2,981.00 for Financial Information.

Motion prevailed by unanimous roll call vote.

Adjourn

A motion was made by Ted Hustead and seconded by Mark Mickelson to adjourn the meeting at 3:01 pm.

Motion prevailed by unanimous roll call vote.


Dale Clement, Secretary